



COMMITTEE ON THE BUDGET

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Updated Summary of the Chairman's Mark FY 2004 Budget Resolution

Overview

- Balances the Budget in **9 years**
- Defense, Homeland & the Economy are the focus
- Eliminates waste, fraud and abuse

Growth & Tax Reduction

- Accommodates entire Bush growth package (JCT scoring)
- Assumes 2001 tax cuts are made permanent
- Accommodates numerous other provisions of tax policy from the Bush budget

Defense & Homeland

- Fully funds the Bush request for Defense & Homeland security spending
- Maintains the additional \$10 billion in the Defense baseline to cover the additional costs attributed to the global war on terrorism.
- Exempts Defense and Homeland from saving initiatives

Discretionary Spending

- Defense & Homeland security spending at the Bush request for FY '04
- **Additional \$844 million for Veterans**
- Non-defense & non-Homeland spending kept at 1% below FY '03 enacted levels

Mandatory Spending

- Accommodates the Bush request for \$400 billion for Medicare modernization and prescription drug coverage - **exempts Medicare from required savings**
- Accommodates the Bush request for Medicaid & SCHIP funding
- Accommodates the House passed welfare reform bill
- Accommodates numerous small congressional initiatives and administration policies in consultation with the committees of jurisdiction
- Requires every Authorizing Committee (but for Armed Services & Intelligence) to make a 1% cut in spending from last year's funding level to target waste, fraud and inefficiencies in the programs under their jurisdiction. *Only 1/3 of those savings needs to be achieved in the first year of the budget resolution.*